

CEDAR RIVER DOWNSTREAM HABITAT PROTECTION AND RESTORATION PROGRAM DESCRIPTION May, 2001

Purpose and Background

The Cedar River Municipal Watershed is a 90,546-acre natural area that is owned by the City of Seattle and is located in the Cascade Mountains 35 miles southeast of Seattle. The Watershed, which is larger than the entire City of Seattle, supports a diverse ecosystem and has been the region's primary water supply for more than a century, currently providing two-thirds of the drinking water for about 1.3 million residents in King and Snohomish Counties. The Cedar River HCP is a 50-year ecosystem-based plan that was prepared under the Endangered Species Act (ESA) by Seattle Public Utilities in collaboration with state and federal agencies, and with input from tribal biologists and leading regional scientists. The plan is designed both to provide certainty for the City of Seattle's drinking water supply and to protect and restore habitats of 83 species of fish and wildlife that may be affected by the City of Seattle's water supply and hydroelectric operations on the Cedar River. In exchange for implementation of the HCP, the federal government has issued an "incidental take permit," which allows Seattle Public Utilities to continue to provide drinking water to the region from the Cedar River. The Cedar River Watershed Habitat Conservation Plan (HCP) is intended to make significant contributions to regional efforts to sustain and restore declining salmon and steelhead stocks in the Lake Washington Basin.

The Downstream Habitat Protection and Restoration program addresses two of the many commitments to conservation and mitigation measures contained within the HCP, and specifically address the protection and restoration of aquatic and riparian habitat. The first component is part of the funding program under the Landsburg Mitigation Agreement (LMA). The second component is intended to complement the benefits provided by improved instream flow management under the HCP. Although the goals of these two programs within the HCP vary, the means by which these goals are to be achieved are similar. Both programs propose habitat land acquisition and restoration projects downstream of the Landsburg Diversion facilities as primary means by which to achieve program goals. Therefore, these two programs will be implemented under one program for efficiency purposes, with the recognition that there are a number of differences, which are summarized in the table below.

Restrictions/Special Conditions	Landsburg Mitigation	Instream Flows
<i>Limitations on project funding</i>	None	Acquisition of lands that will be owned/managed by another agency must be matched dollar for dollar
<i>Approval process</i>	Directed by Parties to LMA in consultation with the Anadromous Fish Committee	N.A.
<i>Project focus</i>	Chinook	All anadromous fish

In 1997 King County produced a final version of the *Lower Cedar River Basin and Nonpoint Pollution Action Plan* (Basin Plan). The Plan was a product of a multi-year effort overseen by the Cedar River Watershed Management Committee and Citizens Advisory Committee, the King County Department Surface Water Management Division (now the Water and Land

proposes solutions to flooding, declining salmon and steelhead runs, and water quality protection by recommending capital projects and programs to accomplish the Basin Plan's goals. One of these goals is to protect prime riverine, stream, and riparian habitat through land acquisition in order to contribute to the recovery of salmon in the region. This plan presents recommendations by geographic subdivision and identifies priority open space acquisitions and habitat restoration sites along the lower Cedar River. The Basin Plan, and its accompanying Cedar River Legacy Program, thus provide logical tools for identifying potential projects under the HCP Downstream Habitat Protection and Restoration Program. The Downstream Habitat Team has been working collaboratively with King County Cedar River Stewardship staff to consider the Cedar River Legacy's potential sites for inclusion in the HCP Downstream Habitat Program. Other relevant efforts, including the WRIA 8 Planning process, and current opportunities and circumstances will also factor into site identification and funding decisions under this program.

Guiding Principles

The following principles provide the basis for management of the Downstream Habitat Protection and Restoration Program, and for the project evaluation criteria that will be used for prioritizing and funding projects under this program.

Strategic allocation of funding

1. Projects should be linked to a vision for basin-wide salmon and salmon habitat recovery such as the WRIA 8 Recovery Plan, and complement other efforts throughout the basin to achieve that vision.
2. Using existing knowledge of the relationships between habitat and fish production, implement a habitat program that could include land acquisition, restoration projects, and land management activities, that will improve factors believed to be limiting salmon production in the Cedar River.
3. Emphasize protection of existing habitat as the principal program goal and utilize land acquisition as the primary tool for achieving that goal in an effort to protect the "last best places."
4. Evaluate the effectiveness of other approaches to habitat protection besides land acquisition in order to increase the likelihood that future efforts to improve habitat conditions for salmon in the Cedar River are as successful as possible. These evaluations may be social, economic or biological, depending on need and opportunity. While recognizing that land acquisition is the primary component of this program, ensure that funding is allocated for non-land-acquisition approaches, such as habitat restoration and innovative land management, in order to provide opportunities for such evaluations.
5. Strive to fund projects that support and complement current HCP-funded programs and research efforts and, conversely, seek out funding sources to provide monitoring for Downstream Habitat projects.

Biological considerations

1. Projects should address factors likely to be limiting production of salmon, including chinook.
2. Prioritization should provide consideration for the level of impact that projects or actions are likely to have on salmon, especially chinook, coho, sockeye, and steelhead.
3. Projects should be located primarily within the active flood plain of the mainstem of the Cedar River downstream of Landsburg Dam.

Efficient use of funding

1. Projects for which at least 50% of funding is provided by a non-City agency should be given greater consideration than projects for which no other funding source is available.
2. Where feasible to do so, projects should accomplish multiple HCP goals.
3. Allocate funding over a period of years consistent with the HCP Cost Commitments, to take advantage of new information and opportunities.
4. Endeavor to allocate funding each year to multiple projects, recognizing that there may be circumstances that warrant a substantial allocation of funds to a small number of projects in a given year.
5. Leverage City funding by coordinating and/or partnering with other agencies and organizations that administer programs that could contribute resources to achieve Downstream Habitat program goals, including:
 - a. King County Cedar River Legacy Program
 - b. King County/City of Seattle Transfer of Development Credits Program
 - c. WRIA 8 Planning
 - d. Salmon Recovery Funding Board
6. Ensure that the City continues to receive recognition for its habitat protection efforts into the future through effective means of communication.
7. Projects should take advantage of educational opportunities that downstream habitat projects could provide when appropriate.

Downstream Habitat Program Components

The various methods available to achieve habitat restoration and protection under this program are described below:

Land Acquisition - This method provides the most long-term assurance that land will be maintained for habitat, and involves either outright fee simple acquisition or purchase of development rights. There are three approaches to land acquisition available:

Outright fee simple acquisition - Outright purchase of property by the City or other agency at fair market value or by bargain sale.

Conservation easement - A legal agreement between a landowner and a government agency (or land trust) that permanently limits use of the land in order to protect its conservation values. It allows the property owner continued use of the land and to sell it or pass it on to heirs.

Transfer of development credits - The Transfer of Development Credits (TDC) program is a voluntary program created by Seattle and King County to preserve rural areas by transferring growth to urban areas selected to accept more growth. TDC allows property owners to sell the development potential from a rural King County "sending area" and transfers that development opportunity to a "receiving area" in the Denny Triangle Neighborhood in downtown Seattle. A developer in the Denny Triangle may increase the height limit of a project by purchasing development credits up to 30% above the zoned height limit.

Habitat Restoration - Habitat restoration projects would create additional habitat by restoring the natural stream structure and function. Projects will be designed in a manner that will benefit any or all anadromous salmonid species, especially chinook salmon, and enhance natural ecological processes that shape and maintain riparian and aquatic habitat.

Funding

The HCP commits \$5.7 million to Downstream Habitat Protection and Restoration, to be expended by the end of HCP Year 5, and is provided for in two areas of the HCP as follows:

Landsburg Mitigation - The Landsburg Mitigation Agreement (LMA) governs the expenditures of \$1.845 million (2000 dollars) for Downstream Habitat. This is budgeted in SPU's CIP from 2001 through 2005. Unexpended funds can be expended in subsequent years. The LMA provides that expenditures are to be made "as directed by the Parties, in consultation with the (Anadromous Fish) Committee." There is no match required from other agencies if acquired land is to be owned or managed by another agency.

Instream Flows - The HCP chapter on Instream Flows provides \$3.381 million (inflated to 2000 dollars) for Downstream Habitat: "In recognition of the value of complementing beneficial instream flow management with beneficial land management, the City will provide up to \$3 million to protect and restore aquatic, riparian and floodplain habitat in the lower Cedar River downstream of the municipal watershed." The HCP requires a dollar for dollar match from the receiving jurisdiction for any habitat project that ends up being owned or managed by another jurisdiction.

The table below provides a breakdown of cost commitments by HCP program area.

HCP Year (calendar year)	Landsburg Mitigation	Instream Flows	Total Cost Commitment
1 (2001)	\$ 0	\$ 0	\$ 0
2 (2002)	\$ 107,000	\$ 1,199,000	\$ 1,306,000
3 (2003)	\$ 162,000	\$ 1,199,000	\$ 1,361,000
4 (2004)	\$ 1,531,000	\$ 1,199,000	\$ 2,730,000
5 (2005)	\$ 0	\$ 0	\$ 0
Total	\$ 1,800,000	\$ 3,597,000	\$ 5,397,000

Table 1 Downstream Habitat Program funding by HCP year (in 2001 \$\$)

With an emphasis on land acquisition as the primary means of habitat protection, restoration projects that will provide high-functioning habitat should also be funded.

Project Evaluation Criteria

The following criteria will be used to evaluate potential projects for funding under the Downstream Habitat Program in conjunction with consideration of unique opportunities and varying circumstances. A number of these factors are consistent with King County's Cedar River Legacy Program criteria.

Habitat benefit

1. Complexity/Diversity - Project would acquire habitat that is characterized by the following:
 - a. Channel conditions that provide spawning, rearing, or refuge habitat; an absence of confinement; unarmored banks, gravel erosion and deposition areas, an intact flood plain
 - b. Riparian cover, overhanging vegetation, woody debris recruitment areas
 - c. Forest cover within reach extends at least 200 feet from banks; absence of roads or structures; consists primarily of native riparian and upland plant community
2. Connectivity - Intermittent or continual access within the mainstem channel and between the mainstem channel and adjacent water bodies that allow fish to access and utilize these areas for a part of their life history
3. Contiguity - Adjacency or proximity to other protected habitats; adds to adjacent lands that were acquired for habitat protection and restoration purposes

Feasibility

1. Landowner willingness - The probability that the landowner is willing to sell is high.
2. Partnership opportunity - Funding for project is leveraged with matching funds from a non-City source.
3. Degree of threat - salmon habitat could be significantly altered, threatened or harmed under current regulations (e.g., land could be cleared or developed)

Other benefits

1. Achieves multiple HCP goals - Project supports or facilitates implementation of the

- a. Compatibility with HCP flow commitments
- b. Complements and is coordinated with an HCP-funded research project that tests hypotheses related to natural salmon production in the Cedar River
- c. Provides broodstock collection opportunities
- d. Facilitates HCP-related construction by satisfying mitigation requirements
2. Mitigation for water supply - Addresses impacts of SPU's pipeline facilities or associated easement
3. Achieves WRIA 8 planning goals
4. Educational opportunity - provides potential educational opportunities
5. Project scope and design - Project scope and design is consistent with current scientific knowledge, and is practical from a project management perspective; e.g., project is of sufficient scope and size that benefits exceed cost to administer, or restoration project does not include levees or revetments

Program Administration and Decision-Making

The criteria listed above are provided as guidelines for evaluating projects on an annual basis. It is recognized that unique opportunities may arise for projects that may not conform to program criteria. Therefore, decisions will need to balance these criteria with sound judgement. The process for identification of projects to receive funding, using the criteria described above, will be as follows:

Development of draft project list - A draft project list will be developed for the upcoming calendar year from the following sources:

- King County Cedar River Legacy Program priorities
- Anadromous Fish Committee recommendations
- WRIA 8 and Salmon Recovery Fund Board priorities
- Staff recommendations
- Community recommendations

Project evaluation and prioritization - A project evaluation panel, which will be comprised of City of Seattle staff representing various areas of expertise, will be established. On an annual basis, beginning in January, the project evaluation panel will meet to review and prioritize project proposals by applying the program criteria and other relevant information. A project evaluation form will be completed for each project, which will explain how each project addresses the program's "factors to consider." Each year, projects considered in previous years that have not yet been implemented will be reevaluated along with all other projects being considered in that year. The attached "Project Evaluation Table" will be used by the evaluation panel to rank proposed projects.

External review of recommendations - The recommendations of the project evaluation panel will be presented to the Cedar River Council, the WRIA 8 Planning Subcommittee, the HCP's Anadromous Fish Committee and representatives of the environmental community. Comments received during these presentations will be considered in developing a final project list. Staff will provide participants in the above groups with a response to their recommendations, including a final approved project list.

Approval by the Parties to the Landsburg Mitigation Agreement (LMA) - The LMA provides that the Anadromous Fish Committee will advise the Parties to the LMA on expenditure of LMA funds for downstream habitat protection and restoration. The project evaluation panel will present the recommended list of prioritized projects along with information on available commitment costs for the upcoming HCP year under the LMA to the Anadromous Fish Committee. The AFC may advise the Parties to fund the list as presented in priority order or may recommend a reprioritized list, which may include projects not included in the original recommended list of projects.

Final Review and Approval - After input is received from external entities, the project evaluation panel will present its recommendations to the HCP Internal Steering Committee and to the representatives of the Parties for their review and approval. The panel will incorporate the final input of these committees into its final project list.

High priority projects not recommended for funding by the AFC will be funded under the Instream Flows program within the HCP.

The annual project approval process is summarized in the table below.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Compile project list	X	X	X									
Compile background information on projects		X	X									
Conduct site visits			X									
Evaluate projects internally			X	X								
External entities review recommended project list					X	X						
Steering Committee approval						X						
Staff response to comments received in external review						X						
Approval by Parties to LMA						X	X					
Enter into interlocal agreement with non-City entity							X					
Begin project implementation							X					

Table 2 - Annual timeline for project approval process

Project Implementation - Upon finalization of the project list, implementation of individual projects will proceed as follows:

Non-City agency acquisition projects - Coordination with non-City agencies and organizations on collaborative land acquisition will include:

- Identification of a project or list of projects (with projects listed in priority order) that SPU and non-City entity will collaborate on
- Execution of an interagency agreement or contract agreement specifying the terms of the collaboration
- Coordinating with professional staff from non-City agencies that manage the land acquisition process to ensure that SPU's goals and interests are met
- Ownership and management of acquired land will be by the non-City agency.

Habitat restoration projects - This program proposal emphasizes habitat protection through land acquisition, and efforts during the first year will focus on acquisition. During the first year of implementation, a program will be developed to identify, prioritize and implement habitat restoration projects with the intent that, in HCP Years 3 through 5 a portion of funding will be reserved for restoration projects with extremely high habitat restoration potential.

Ongoing Land Management - As a general rule, lands acquired under the Downstream Habitat Protection and Restoration Program will be owned and managed by a non-City entity, such as King County Department of Parks and Recreation, or by non-profit land conservation organizations. In cases where management of acquired habitat lands will complement or benefit other City projects or operations, City ownership may be appropriate.